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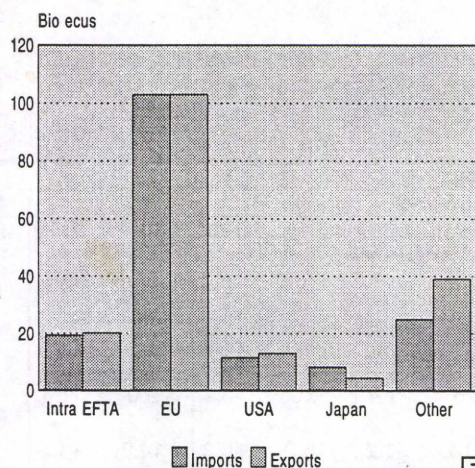
### EFTA TRADE WITH THE EUROPEAN UNION <sup>(1)(2)</sup> 1988-1993

#### Part I: Summary

The countries of the European Free Trade Association (EFTA) are highly export-oriented. The value of their total exports and imports comes to around a quarter of the value of their Gross Domestic Product (GDP). By far the bulk of their foreign trade is with the European Union: since 1988 the ties have become increasingly closer, and in 1993, 61.7% of EFTA imports came from the EU, while 57.5% of EFTA exports went to the EU. For some countries, the links with the EU were even closer: in 1993 Switzerland obtained 72.6% of its imports from the EU, while 66.6% of Norway's exports went to the EU. Over 40% of total EFTA-EU trade took place with Germany. The proportion of foreign trade among the EFTA countries themselves is strikingly low: in 1993, trade within the EFTA area was only just over 11% of EFTA's total foreign trade. During 1988-1993 the EFTA trade deficit with the EU fell from 10.3 billion ecus in 1988 to 2 billion ecus in 1993.

Trade between EFTA and the EU was heavily concentrated on manufactured products. From 1988 to 1993, they represented about 87% of EFTA imports; their share of EFTA exports fell from 80% in 1988 to around 78% in 1993. The main reason for this decline was an increase in petroleum exports. The principal product groups in EFTA imports from the EU were road vehicles, miscellaneous manufactured articles, electrical appliances, machinery and clothing. EFTA's exports to the EU consisted mainly of petroleum products, paper and paperboard, machinery and miscellaneous manufactured articles. EFTA's largest trade surpluses with the EU were in petroleum products, paper and paperboard, cork and wood, gas, non-ferrous metals and fish. The largest deficits were in road vehicles, clothing, miscellaneous manufactured articles, office machines and data processing machines, vegetables and fruit.

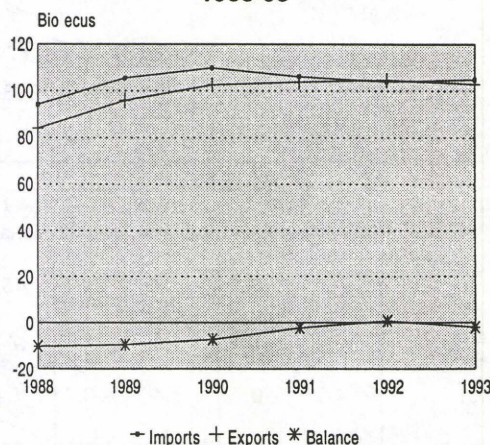
**EFTA's most important trading partners  
1993**



Source: COMTRADE

<sup>(1)(2)</sup> See methodological notes on page 12.

**EFTA-EU trade balance\*  
1988-93**



\* As reported by EFTA  
Source: COMTRADE

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## Part II: EFTA's trade with its major partners

### EFTA trade flows, 1988-93

(bio ecus)

	1988	1989	1990	1991	1992	1993	93/88*
Total EFTA Exports	150.0	170.0	177.1	174.7	174.4	179.3	+19.5
in % of GDP	25.7	26.6	26.2	24.9	25.2	26.4	+0.7
Total EFTA Imports	156.1	177.6	180.6	174.3	168.1	166.9	+6.9
in % of GDP	26.7	27.8	26.7	24.9	24.3	24.6	-2.1
Trade balance	-6.1	-7.6	-3.5	0.4	6.3	12.4	+18.5

\* Change between 1988 and 1993: in % for exports/imports; in % points for GDP-shares; and in absolute value for Trade Balance.

Source: COMTRADE/EUROSTAT



The countries of the European Free Trade Area are highly export-oriented. Between 1988 and 1993, the EFTA countries' exports as a proportion of GDP went up from 25.7% to 26.4%, while EFTA's imports dropped from 26.7% to 24.6% of GDP. This was accompanied by a substantial improvement in EFTA's foreign trade balance with the rest of the world, from -1% to +1.8% of GDP.

#### Origin of EFTA imports

By far the most important trading partner for EFTA is the European Union. In 1993, 61.7% of European Free Trade Area imports came from the EU. That represents an increase of 1.3 percentage points over 1988. Over the same period, the USA's share in total EFTA imports also went up from 5.9% to 6.8%. In contrast, the proportion of imports from Japan declined from 5.6% to 4.9%. The proportion of imports from other third countries remained relatively stable at about 15%. There was a clear downward trend in imports from other EFTA countries (intra-EFTA trade). In 1993 their share was down to 11.6%, having fallen by 1.5 percentage points since 1988.

#### EFTA countries and their principal suppliers

In 1993, Austria obtained 67% of its imports from the EU, while only 6.7% were supplied by other EFTA countries. Imports from the USA and Japan were also relatively low at 4.4% each. Finland is the country with the lowest proportion of EU imports, but the figure has risen by 2.4 percentage points since 1988 and reached 45.6% in 1993. However, in Finland's case, the proportion of imports from other EFTA countries and other third countries was above average. For Iceland and Norway, the EU's share in imports was also relatively modest in 1993, at around 48% for both cases. The two countries have the highest proportion of intra-EFTA imports (Iceland: 23.7%; Norway: 20.2%). Sweden also obtained a below-average proportion of its imports from the EU in 1993 at 55%, and a higher proportion from other EFTA countries: 16%. In 1993, Switzerland was the country with the highest proportion of imports from the EU at 72.6%. Like Austria, Switzerland also has by far the lowest proportion of imports from other EFTA countries at 6.7%. Swiss imports from Japan were also strikingly low, at 3.9%, and have actually declined since 1988.

#### Origin of EFTA imports by major partners, 1993

(% shares in 1993 and %-point change in shares since 1988)

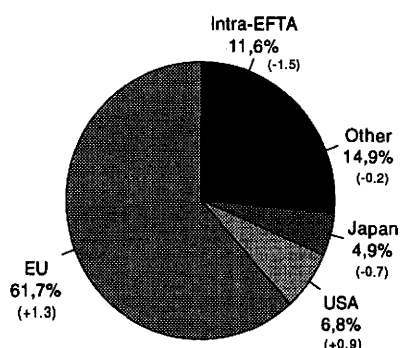
Origin	Importers													
	EFTA		Austria		Finland		Iceland		Norway		Sweden		Switzerland	
	%share	93/88	%share	93/88	%share	93/88	%share	93/88	%share	93/88	%share	93/88	%share	93/88
EU	61.7	+1.3	67.0	+1.1	45.6	+2.4	48.4	-3.2	48.7	+2.5	55.0	-0.9	72.6	+1.3
USA	6.8	+0.9	4.4	+1.0	7.3	+1.0	9.3	+1.8	8.1	+1.5	9.1	+1.6	6.4	+0.9
Japan	4.9	-0.7	4.4	+0.7	5.8	-1.6	5.5	-1.4	8.0	+3.4	5.0	-1.4	3.9	-1.1
Other	14.9	-0.2	17.5	+1.5	23.2	-1.1	13.1	+1.2	15.0	+6.3	14.9	+1.3	10.4	-0.6
Intra-EFTA	11.6	-1.5	6.7	-0.7	18.2	-0.6	23.7	+1.6	20.2	-3.7	16.0	-0.5	6.7	-0.5
TOTAL	100.0		100.0		100.0		100.0		100.0		100.0		100.0	

Source: COMTRADE



## EFTA imports by major partners, 1993

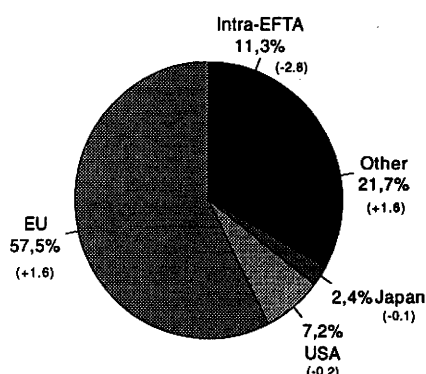
(% shares in 1993, followed in brackets by %  
-point change in shares since 1988)



Source: COMTRADE

## EFTA export markets by major partners, 1993

(% shares in 1993, followed in brackets by  
% point change in shares since 1988)



Source: COMTRADE



## EFTA's export markets

In 1993, 57.5% of total EFTA exports went to the EU. This proportion had risen by 1.6 percentage points since 1988. In contrast, over the same period the proportion of exports to the United States and Japan declined slightly, being 7.2% and 2.4% respectively in 1993. Other third countries took 21.7% of EFTA exports in 1993, the proportion having risen by 1.6 percentage points since 1988. Exports to other EFTA countries (intra-EFTA trade) became less important: their share fell by 2.8 percentage points to 11.3% in 1993.

## EFTA countries and their main customers

In 1993, 63.6% of Austria's exports went to the EU, while only 3.3% went to the United States and 1.5% to Japan. The proportion of exports to other third countries was 22.9%. There was a sharp decline (-2.1 percentage points) in the proportion of Austrian exports going to other EFTA countries. By 1993 it was down to 8.7%. Finland had the smallest proportion of exports to the EU, though they did increase by 2.3 percentage points to 45.4% during the reporting period. The proportion of exports to the United States also rose to 7.7% in 1993.

Exports to other customer countries became relatively less important. In 1993 Japan took 1.6%, other third countries 28.7% and other EFTA countries 16.6% of exports. Norway is the EFTA country whose export trade is most heavily dependent on the EU market: in 1993, 66.6% of all Norwegian exports went to EU countries. That represents an increase of 1.4 percentage points over 1988. On the other hand, the proportion of Norwegian exports to all other third countries was below the EFTA average. During the reporting period the proportion of exports to other EFTA countries fell by 3.6 percentage points to 12.7%. In 1993, 53% of Swedish exports went to the EU. In spite of an upward trend, this proportion is still well below the EFTA average. It is noticeable that Sweden's exports are increasingly oriented towards other third countries (increase of 3.7 percentage points to 20%) while intra-EFTA exports are down to 16.1%. During the reporting period, Swiss exports increasingly went to the Community. In 1993 this proportion was 56.7%. Switzerland exports more than the EFTA average to the United States (8.9%), Japan (3.5%) and other third countries (24.6%). On the other hand, the proportion of exports to other EFTA countries is the smallest for all EFTA countries (6.3%).

## EFTA export markets by major partners, 1993

(% shares in 1993, and %-point change in shares since 1988)

Importers	Exporters									
	EFTA		Austria		Finland		Iceland		Norway	
	% shares	93/88	% shares	93/88	% shares	93/88	% shares	93/88	% shares	93/88
EU	57.5	+1.6	63.6	-0.2	45.4	+2.3	59.8	+0.9	66.6	+1.4
USA	7.2	-0.2	3.3	-0.2	7.7	+2.0	15.9	+2.3	6.2	+0.1
Japan	2.4	-0.1	1.5	+0.2	1.6	-0.2	9.3	+1.7	1.8	-0.1
Other	21.7	+1.6	22.9	+2.3	28.7	-0.5	6.0	-3.8	12.6	+2.1
Intra-EFTA	11.3	-2.8	8.7	-2.1	16.6	-3.6	9.0	-1.0	12.7	-3.6
TOTAL	100.0		100.0		100.0		100.0		100.0	

Source: COMTRADE



## Part III: EFTA imports from the European Union

### EFTA imports from the EU by SITC sections, 1988-1993

(in % shares)

SITC, Rev.3	1988	1989	1990	1991	1992	1993
Primary goods (0-4)	11.9	12.0	12.1	12.6	12.7	12.7
0+1	5.2	5.0	5.0	5.5	5.6	6.0
2+4	3.5	3.4	3.0	3.1	3.1	2.8
3	3.1	3.5	4.0	4.0	3.9	3.8
Manufactured goods (5-8)	87.8	87.5	87.4	86.8	86.8	86.8
5+6	32.8	32.5	32.0	31.9	32.3	33.3
7+8	55.0	55.0	55.3	54.9	54.4	53.4
Other (9)	0.2	0.4	0.4	0.4	0.4	0.4
TOTAL (0-9)	100.0	100.0	100.0	100.0	100.0	100.0

Source: COMTRADE



### EFTA imports from the EU by SITC sections

During the reporting period between 1988 and 1993, EFTA's imports from the EU increased by 11.2% overall (2.2% per annum). In contrast, the increase of 6.9% in the total of EFTA's imports from all countries, was significantly lower during this period.

EFTA's imports from the EU were particularly concentrated on manufactured goods (SITC 5-8). Their share in total imports varied between 87.8% in 1988 and 86.8% in 1993. By far the largest share among manufactured goods was accounted for by machinery and transport equipment (SITC 7). This amounted to 34.7% in 1993. During the reporting period however, a decline of 2 percentage points was recorded. The second largest share was taken by manufactured goods classified chiefly by material (SITC 6). The latter increased by a below-average amount during the reporting period and reached a proportion of 19.2% in 1993. Imports of

miscellaneous manufactured articles (SITC 8) rose by an above-average amount, reaching a proportion of 18.9% by 1993. Chemicals and related products (SITC 5) increased even more markedly. Their share grew from 12.7% to 14.2% in 1993.

EFTA's imports of primary goods from the EU showed some increase during the reporting period. Their share rose by 0.8 percentage points to 12.7% of total imports in 1993. This conceals a substantial increase in food and live animals (SITC 0) (+29.3%) during the reporting period and another of 38% in mineral fuels, lubricants and related materials (SITC 3). The increase in beverages and tobacco (SITC 1) was average, while imports of other crude materials, inedible, except fuels (SITC 2) actually declined by 12.5% in value. Their share in total imports consequently fell from 3.4% to 2.7% during the reporting period.

### EFTA imports from EU by SITC section, 1988-93

(bio ecus)

SITC, Rev. 3	1988	1989	1990	1991	1992	1993	93/88*
0 Food & live animals	4.1	4.4	4.6	4.9	4.9	5.3	+29.3
1 Beverages & tobacco	0.9	0.9	1.0	1.0	1.0	1.0	+11.1
2 Crude materials, inedible, except fuels	3.2	3.4	3.2	3.1	3.1	2.8	-12.5
3 Mineral fuels, lubricants & related materials	2.9	3.7	4.4	4.3	4.1	4.0	+38.0
4 Animal & vegetable oils, fats & waxes	0.1	0.2	0.2	0.1	0.2	0.2	+100.0
5 Chemicals & related products, n.e.s.	12.0	13.2	13.6	13.6	14.0	14.9	+24.2
6 Manufactured goods classified chiefly by material	18.9	21.2	21.6	20.3	19.7	20.1	+6.3
7 Machinery & transport equipment	34.6	38.8	40.2	37.9	36.6	36.4	+5.2
8 Miscellaneous manufactured articles	17.3	19.2	20.5	20.4	20.0	19.8	+14.4
9 Commodities & transactions not classified elsewhere	0.2	0.4	0.4	0.4	0.4	0.5	+150.0
0-9 TOTAL	94.2	105.5	109.8	106.1	103.9	104.8	+11.2

\* Absolute change between 1988 and 1993, in bio ecus.

Source: COMTRADE



## EFTA imports from EU: the 15 most important product divisions

SITC, Rev.3	Product divisions	1993 bio ecu	% of total EFTA imports by products	% of total EFTA imports from EU	cumulated	% change of flows 93/88
78	Road vehicles (including air-cushion vehicles)	9.580	76.3	9.1	9.1	-3.8
89	Miscellaneous manufactured articles, n.e.s.	6.985	71.8	6.7	15.8	+22.4
77	Electrical machinery & appliances, n.e.s.	6.600	69.4	6.3	22.1	+14.3
74	General industr. mach. & equipment, n.e.s.	6.434	87.7	6.1	28.2	+12.9
84	Articles of apparel & clothing accessories	4.783	60.6	4.6	32.8	+4.2
69	Metal manufactures, n.e.s.	3.864	84.9	3.7	36.5	+7.4
66	Non-metallic mineral manufactures, n.e.s.	3.740	76.3	3.6	40.1	+33.5
72	Machinery specialised for particular industries	3.664	84.9	3.5	43.5	-8.8
75	Office mach. & automatic data-processing mach.	3.451	48.5	3.3	46.8	+9.7
33	Petroleum & petroleum products	3.391	55.3	3.2	50.1	+40.8
67	Iron & steel	3.257	83.6	3.1	53.2	-8.9
54	Medical & pharmaceutical products	3.159	86.0	3.0	56.2	+80.6
65	Textile yarn, fabrics & related products	3.092	80.4	2.9	59.1	-3.8
51	Organic chemicals	2.591	75.0	2.5	61.6	+13.0
71	Power generating machinery & equipment	2.304	75.9	2.2	63.8	+23.7

Source: COMTRADE



### EFTA imports from the EU by product groups

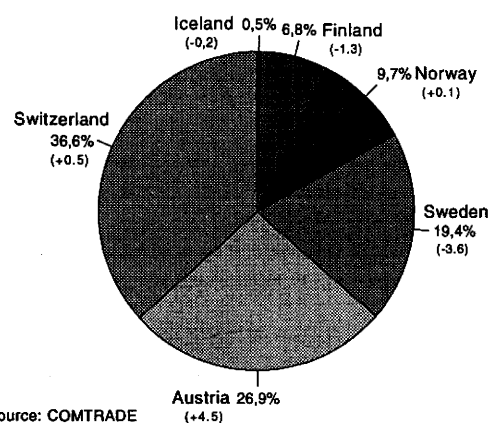
Road vehicles (including air-cushion vehicles) (SITC 78) form by far the most important product group imported from the EU by EFTA countries. In 1993 they were worth almost 10 billion ecus or 9.1% of total imports. More than three quarters of all EFTA imports of road vehicles came from the EU. Between 1988 and 1993 however, the import value of this product group was slightly down (-3.8%). After road vehicles there comes three product groups with imports worth between 6 and 7 billion ecus each for 1993: miscellaneous manufactured articles, n.e.s. (SITC 89), electrical machinery, apparatus and appliances, n.e.s. and electrical parts thereof (including non-electrical counterparts n.e.s. of electrical household type equipment) (SITC 77) and general industrial machinery and equipment, n.e.s. and machine parts, n.e.s. (SITC 74). In all three of these product groups, above-average increases were recorded during the reporting period.

With the exception of petroleum, petroleum products and related materials (SITC 33), the 15 most important product groups, representing almost two thirds of all EFTA imports from the EU, are manufactured products. The large share of the EU in EFTA imports for almost every individual product group is also noticeable. Apart from office machines and automatic data processing machines (SITC 75) and articles of apparel and clothing accessories (SITC 84) where "only" 48.5% and 60.6% respectively were imported from the EU, the share of the EU was at least 70% or more. Between 1988 and 1993 the highest growth rates were in medical and pharmaceutical products (SITC 54) with 80.6%, petroleum, petroleum products and related materials (SITC 33) with 40.8% and non-metallic mineral manufactures, n.e.s. (SITC 66) with 33.5%.

### EFTA imports from the EU

#### - by EFTA countries, 1993

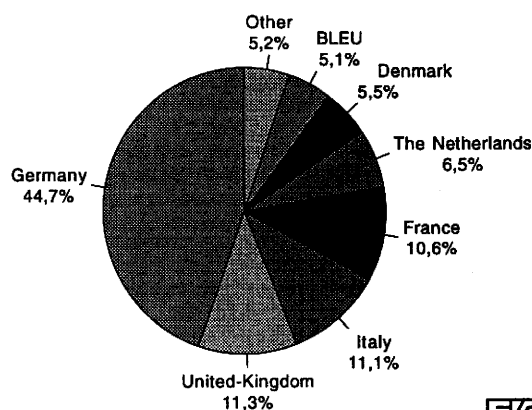
(% shares in 1993, followed by %-point change in brackets)



Source: COMTRADE

#### - by EU exporting countries, 1993

(% shares)



## EFTA imports from the EU by individual countries

### EFTA importing countries

Switzerland has a dominant position among the EFTA importing countries. In 1993 it accounted for 36.6% of the value of all EFTA imports from the EU, 0.5 percentage points more than in 1988. Austria's share was almost 27%, corresponding to an increase of 4.5 percentage points over 1988. Sweden, the largest Scandinavian market, has become relatively less important since 1988; in 1993 its share of EU imports into EFTA countries was 19.4%, which was 3.6% less than in 1988. During the reporting period Norway's share has edged up to 9.7%. Finland and Iceland represented 6.8% and 0.5% respectively of EFTA imports from EU countries.

### EU exporting countries

In spite of a 2.1 percentage point decline since 1988, Germany is by far the most important EU supplier for EFTA: in 1993, 44.7% of all EFTA imports came from Germany. In relative terms however, imports from

Germany into all EFTA countries declined between 1988 and 1993. This decline was most marked in relation to Sweden: in 1993, Sweden obtained 32.5% of its EU imports from Germany, while the figure for 1988 was 38%. After Germany there are three EU countries which all held a similarly strong and expanding position as EFTA suppliers: the United Kingdom with a share of 11.3% (+1.1 percentage points), Italy with 11.1% (+0.2 percentage points) and France with 10.6% (+0.4 percentage points). The United Kingdom was shown to be a particularly important supplier for Finland, Iceland, Norway and Sweden. For these countries, the United Kingdom supplied almost a fifth of imports from the EU. Italy's goods went predominantly to Austria and Switzerland. For these two countries, Italy supplied 13.5% of EU imports. France accounted for 6-10% of supplies to EFTA countries, except in the case of Switzerland, where this share was around 15%.

## EFTA imports from the EU, by individual countries, 1993

(% shares in 1993, followed by %-point change since 1988 in brackets)

EU exporting countries	EFTA importing countries							
	A	FIN	IS	N	S	CH	AELE	
	BLEU	4.3 (+0.4)	6.4 (+0.6)	4.0 (+0.1)	5.0 (-0.4)	6.3 (+0.5)	4.9 (+0.2)	5.1 (+0.2)
	DK	1.2 (+0.2)	6.9 (+0.1)	19.4 (+1.5)	15.3 (-1.1)	13.0 (+1.2)	1.5 (+0.1)	5.5 (-0.2)
	D	61.9 (-3.4)	35.7 (-3.2)	24.6 (-2.9)	27.8 (-1.6)	32.5 (-5.5)	44.9 (-2.9)	44.7 (-2.1)
	GR	0.6 (0.0)	0.6 (0.0)	0.3 (+0.1)	0.3 (-2.0)	0.4 (0.0)	0.2 (0.0)	0.4 (-0.2)
	E	2.0 (+0.7)	2.6 (0.0)	2.9 (+1.1)	4.1 (+1.5)	2.6 (+0.6)	1.9 (+0.2)	2.3 (+0.4)
	F	6.6 (+0.8)	8.6 (-0.6)	7.0 (+0.9)	8.8 (+1.6)	9.7 (+0.7)	15.1 (+0.2)	10.6 (+0.4)
	IRL	0.8 (+0.4)	1.5 (+0.5)	1.6 (+0.9)	2.3 (+0.2)	1.5 (+0.4)	1.2 (+0.6)	1.3 (+0.4)
	I	13.5 (+0.4)	8.1 (-2.2)	7.2 (-1.3)	7.1 (-0.1)	6.5 (-0.7)	13.5 (-0.7)	11.1 (+0.2)
	NL	4.3 (+0.2)	7.9 (+0.5)	12.4 (-3.4)	8.4 (-0.1)	8.4 (+1.1)	6.2 (+0.3)	6.5 (+0.3)
	P	0.9 (+0.2)	2.3 (+0.3)	2.1 (+0.4)	2.0 (-0.1)	2.0 (+0.1)	0.7 (+0.2)	1.2 (0.0)
UK	4.1 (+0.4)	19.3 (+3.8)	18.5 (+2.6)	18.8 (+2.0)	17.1 (+1.7)	9.9 (+1.9)	11.3 (+1.1)	
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

Source: COMTRADE

## Part IV: EFTA exports to the European Union

### EFTA exports to the EU by SITC sections, 1988-93

(in % shares)

SITC, Rev 3.	1988	1989	1990	1991	1992	1993
Primary goods (0-4)	19.5	21.0	21.1	21.2	20.9	21.4
0+1	3.4	3.1	3.3	3.4	3.5	3.6
2+4	7.6	7.7	6.7	5.9	5.7	5.5
3	8.4	10.1	11.0	11.8	11.6	12.2
Manufactured goods (5-8)	80.1	78.4	78.4	78.3	78.7	78.2
5+6	40.7	40.0	38.4	38.1	37.9	38.4
7+8	39.4	38.4	40.0	40.2	40.7	39.8
Other (9)	0.2	0.4	0.4	0.3	0.2	0.3
TOTAL (0-9)	100.0	100.0	100.0	100.0	100.0	100.0

Source: COMTRADE



### EFTA exports to the EU by SITC sections

During the reporting period, EFTA exports to the EU increased by 22.2% (4.1% p.a.). Here too, as in the case of the corresponding imports, manufactured products (SITC 5-8) headed the list. In 1993, these goods accounted for 78.2% of all EFTA exports to the EU. However, that proportion is much smaller than in the case of EFTA imports from the EU. The proportion of manufactured products in exports also declined by almost 2 percentage points between 1988 and 1993. As in the case of imports, the first two product groups in EFTA exports to the EU were machinery and transport equipment (SITC 7) and manufactured goods classified chiefly by material (SITC 6). In 1993 they represented over half of exports with 27.6% and 25.8% respectively. After them came chemicals and related products (SITC 5) and miscellaneous manufactured articles (SITC 8) with 12.6% and 12.2% respectively.

As with imports, chemical products (+46.1%) and miscellaneous manufactured articles (+37.4%) had by far the highest growth rates between 1988 and 1993.

The proportion of primary products (SITC 0-4) in EFTA exports to the EU increased by 1.9 percentage points to 21.4% during the reporting period. Exports of mineral fuels, lubricants and related materials (SITC 3) were the main factor in this increase. In terms of value, this sector was 78.9% up on 1988. The proportion of EFTA exports represented by food and live animals and beverages and tobacco (SITC 0+1) also increased by 0.2 percentage points between 1988 and 1993. In contrast, there was a 2.1 percentage point decline in the proportion of crude materials, inedibles, except for fuels, animal and vegetables for oils, fats and waxes (SITC 2+4).

### EFTA exports to the EU by SITC sections, 1988-93

(bio ecus)

SITC, Rev. 3	1988	1989	1990	1991	1992	1993	93/88*
0 Food & live animals	2.7	2.9	3.3	3.4	3.5	3.5	+29.6
1 Beverages & tobacco	0.1	0.1	0.1	0.2	0.2	0.2	+100.0
2 Crude materials, inedible, except fuels	6.3	7.4	6.8	6.0	5.9	5.5	-12.7
3 Mineral fuels, lubricants & related materials	7.1	9.7	11.3	12.3	12.2	12.7	+78.9
4 Animal & vegetable oils, fats & waxes	0.1	0.1	0.1	0.1	0.1	0.1	0.0
5 Chemicals & related products, n.e.s.	8.9	9.9	10.5	11.2	12.0	13.0	+46.1
6 Manufactured goods classified chiefly by material	25.2	28.4	28.8	28.5	27.7	26.5	+5.2
7 Machinery & transport equipment	24.0	26.6	29.6	30.1	30.5	28.4	+18.3
8 Miscellaneous manufactured articles	9.1	10.3	11.4	11.6	12.1	12.5	+37.4
9 Commodities & transactions not classified elsewhere	0.2	0.4	0.4	0.4	0.3	0.3	+50.0
0-9 TOTAL	83.9	96.0	102.5	103.8	104.6	102.8	+22.5

\* Absolute change between 1988 and 1993, in bio ecus.

Source: COMTRADE



## EFTA exports to the EU: the 15 most important product divisions, 1993

SITC, Rev.3	Product divisions	1993 bio ecu	% of total EFTA exports by products	% of total EFTA exports to EU	cumulated	% change of flows 93/88
33	Petroleum & petroleum products	10.416	83.2	10.1	10.1	+123.3
64	Paper & paperboard	8.762	75.4	8.5	18.7	+1.7
74	General industr. mach. & equipment, n.e.s.	5.163	60.6	5.0	23.7	+25.4
77	Electrical machinery & appliances, n.e.s.	4.888	62.1	4.8	28.4	+18.5
89	Miscellaneous manufactured articles, n.e.s.	4.789	61.6	4.7	33.1	+48.4
78	Road vehicles (including air-cushion vehicles)	4.655	59.4	4.5	37.6	+11.8
54	Medical & pharmaceutical products	4.256	59.5	4.1	41.8	+119.9
67	Iron & steel	4.099	70.2	4.0	45.8	+1.1
72	Machinery specialised for particular industries	4.060	45.5	4.0	49.7	+3.2
69	Metal manufactures, n.e.s.	3.502	71.3	3.4	53.1	+35.9
71	Power generating machinery & equipment	3.431	68.0	3.3	56.4	+54.4
68	Non-ferrous metals	3.306	78.3	3.2	59.7	-14.7
24	Cork & wood	2.765	83.6	2.7	62.4	+14.1
51	Organic chemicals	2.515	54.9	2.4	64.8	+26.4
65	Textile yarn, fabrics & related products	2.488	74.1	2.4	67.2	-1.2

Source: COMTRADE



### EFTA exports to the EU by product groups

Although an analysis of the product breakdown by SITC sections shows that the structure of imports and exports between EFTA and the EU is relatively similar, comparison between the SITC divisions does reveal substantial differences. Thus in 1993, petroleum, petroleum products and related materials (SITC 33) and paper, paperboard and articles of paper pulp, of paper or of paperboard (SITC 64) were the principal export goods, accounting for 10.1% and 8.5% respectively of total EFTA exports to the EU. These are followed by the same four product groups as in the case for EFTA imports, although this time their order was reversed. They are: general industrial machinery and equipment, n.e.s., and machine parts, n.e.s. (SITC 74) at 5%, electrical machinery, apparatus and appliances, n.e.s. and electrical parts thereof (including non-electrical counterparts n.e.s. of electrical household type equipment) (SITC 77) at 4.8%, miscellaneous manufactured articles, n.e.s.

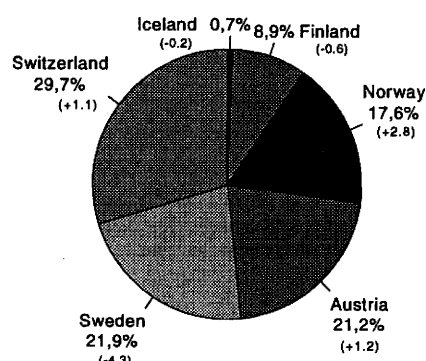
(SITC 89) at 4.7% and road vehicles (including air-cushion vehicles) (SITC 78) at 4.5%.

The highest growth rates between 1988 and 1993 were in parts of petroleum products (+123.3%), medical and pharmaceutical products (+119.9%), power generating machinery and equipment (+54.4%), miscellaneous manufactured articles (+48.4%), manufactures of metals (+35.9%) and chemical products (+26.4%). Exports declined or stagnated in the case of non-ferrous metals (-14.7%), textile yarn and fabrics (-1.2%), iron and steel (+1.1%) and paper and paperboard (+1.7%). In 1993 the proportion of exports going to the EU was above average for most of the fifteen main product groups. The highest proportions were for cork and wood at 83.6% and petroleum products at 83.2%. The lowest proportion was for specialised machinery at 45.5% and chemical products at 54.9%.

### EFTA exports to the EU

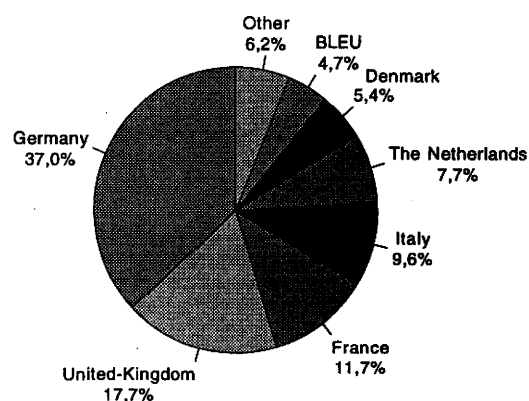
#### - by EFTA countries, 1993

(% share in 1993 followed by %-point change in brackets)



#### - by EU importing countries, 1993

(% share)



Source: COMTRADE





## EFTA exports to the EU by individual countries

### EFTA exporting countries

As in the case of imports from the EU, Switzerland is by far the most important EFTA country in terms of exports to the EU. Its share of EFTA exports to the EU countries was 29.7%. Since 1988 this ratio had risen by a further 1.1 percentage points. Sweden is in second place with almost 22% of the value of exports to the EU. However, Sweden's share had declined sharply by 4.3 percentage points since 1988. Austria and Norway respectively accounted for 21.2% and 17.6% of exports to the EU (up by 1.2% and 2.8% since 1988). During the reporting period both Finland and Iceland saw a slight decline in their share of EFTA exports to EU countries, to 8.9% and 0.7% respectively in 1993.

### EU importing countries

In 1993 EFTA's most important export markets in the EU were Germany (37.0%), the United Kingdom (17.7%) and France (11.7%). Germany's share of the exports was up by 4.0 percentage points compared with 1988. Austria, Finland and Switzerland in particular increased their exports to Germany. In 1993 61.3% of Austrian exports and 40.5% of Swiss exports to the EU went to Germany. Exports to the United Kingdom from all EFTA countries declined:

altogether the UK's share of total EFTA exports fell by 2.5 percentage points between 1988 and 1993. Nevertheless, 36.9% of Norwegian exports and 36.2% of Icelandic exports went to the United Kingdom. The proportion of Finnish exports to the United Kingdom declined by 7.4 percentage points to 22.4%. The least important exporters to the United Kingdom were Austria at 5.1% and Switzerland at 12.1%. Since 1988, France's share of total EFTA exports has been stable (-0.1%). This market is of greatest importance to Switzerland, taking 16.1% of its EU exports. Iceland's exports to France were 5.6 percentage points up on 1988 at 13.8%. At 9.6%, Italy is the fourth largest customer for EFTA exports to the EU. That country is also the most important one for Switzerland (13.7%) and for Austria (12.4%). However, both these shares were down during the reporting period (-1.1 and -3.9 percentage points respectively). Other important markets for the Nordic countries' exports were the Netherlands, Denmark and Belgium/Luxembourg. In 1993, 12.7% of Norwegian exports to the EU went to The Netherlands, the corresponding figures for Finnish and Swedish exports being 10.8% and 9.5%. 12.5% of Swedish exports to the EU went to Denmark and 7.8% to Belgium/Luxembourg.

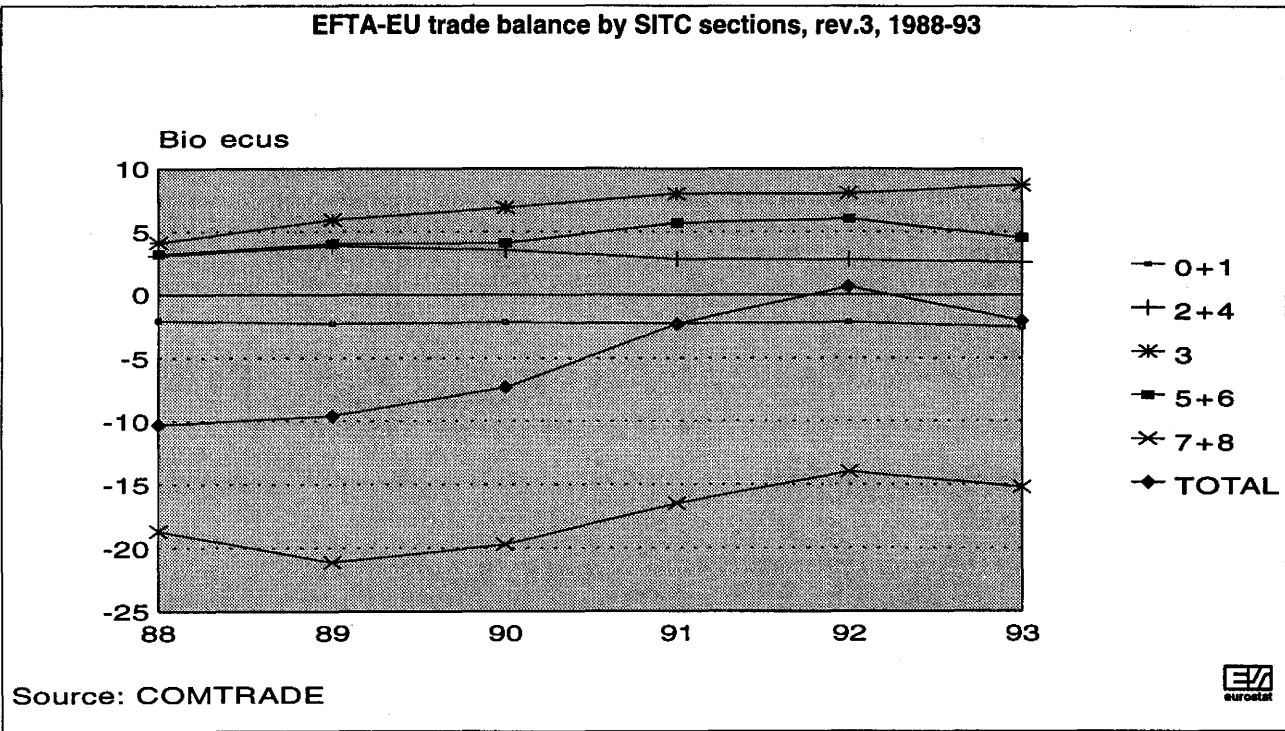
## EFTA exports to the EU, by individual countries , 1993

(% shares in 1993, followed by %-point change since 1988 in brackets)

		EFTA exporting countries						
		A	FIN	IS	N	S	CH	EFTA
EU importing countries	BLEU	3.0 (-0.7)	4.5 (+0.2)	2.7 (+1.4)	3.4 (-0.3)	7.8 (-0.1)	4.4 (+0.4)	4.7 (-0.2)
	DK	1.4 (+0.2)	7.2 (-0.9)	9.4 (+3.8)	6.6 (-1.6)	12.5 (-0.7)	1.9 (-0.3)	5.4 (-0.1)
	D	61.3 (+6.4)	28.0 (+3.7)	18.5 (-0.1)	19.5 (+0.5)	27.0 (+3.8)	40.5 (+3.2)	37.0 (+4.0)
	GR	0.8 (-0.1)	1.2 (-0.1)	1.4 (+0.1)	0.5 (+0.2)	1.0 (-0.2)	1.1 (+0.2)	0.9 (0.0)
	E	3.3 (+0.3)	5.2 (+1.7)	8.2 (+2.4)	1.7 (+0.4)	3.5 (-0.6)	3.5 (+0.1)	3.3 (+0.1)
	F	7.0 (-0.2)	11.3 (-0.7)	13.8 (+5.6)	11.9 (+0.7)	10.1 (0.0)	16.1 (-0.6)	11.7 (-0.1)
	IRL	0.3 (+0.1)	1.1 (-0.3)	0.2 (+0.1)	1.5 (+1.1)	1.2 (+0.2)	0.6 (+0.2)	0.9 (+0.3)
	I	12.4 (-3.9)	6.9 (-0.6)	3.4 (-0.9)	3.9 (-0.4)	7.0 (-0.6)	13.7 (-1.1)	9.6 (-1.2)
	NL	4.7 (+0.6)	10.8 (+2.5)	3.7 (+1.8)	12.7 (+2.1)	9.5 (+0.3)	4.8 (-0.2)	7.7 (+0.7)
	P	0.8 (+0.2)	1.4 (+0.5)	2.7 (-11.7)	1.3 (+0.3)	1.0 (-0.2)	1.3 (0.0)	1.1 (-0.1)
	UK	5.1 (-2.3)	22.4 (-7.4)	36.2 (-3.3)	36.9 (-3.0)	19.3 (-2.2)	12.1 (-1.9)	17.7 (-2.5)
	TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: COMTRADE

# Part V: EFTA-EU trade balance by products <sup>(3)</sup>



## EFTA-EU trade balance, by SITC sections

In 1988 EFTA had a deficit of over 10 billion ecus in trade with the EU countries. In subsequent years the balance improved to a deficit of just over 2 billion ecus in 1993, after a temporary surplus of 0.6 billion ecus in 1992. Here, almost half the improvement in the trade balance between EFTA countries and the rest of the world from 1988 to 1993 came from trade with the EU. The largest deficits were in machinery and transport equipment (SITC 7), miscellaneous manufactured articles (SITC 8) and chemicals and related products (SITC 5).

The largest surpluses were obtained from mineral fuels, lubricants and related materials (SITC 3), manufactured goods classified chiefly by material (SITC 6) and crude materials, inedible, except fuels (SITC 2). This pattern remained relatively stable throughout the reporting period. The greatest improvements were achieved in mineral fuels (SITC 3) (+ 4.6 billion ecus), machinery and transport equipment (SITC 7) (+ 2.6 billion ecus) and chemicals and related products (SITC 5) (+ 1.2 billion ecus). There was a deterioration of -0.4 billion ecus in both foodstuffs (SITC 1) and crude materials (SITC 2) except fuels.

## EFTA-EU trade balance by SITC sections, 1988-1993

		(bio ecus)						
SITC, Rev. 3		1988	1989	1990	1991	1992	1993	93/88*
0	Food & live animals	-1.3	-1.5	-1.3	-1.4	-1.4	-1.7	-0.4
1	Beverages & tobacco	-0.7	-0.8	-0.9	-0.8	-0.8	-0.8	-0.1
2	Crude materials, inedible, except fuels	3.1	3.9	3.6	2.9	2.9	2.7	-0.4
3	Mineral fuels, lubricants & related materials	4.1	6.0	6.9	8.0	8.1	8.7	+4.6
4	Animal & vegetable oils, fats & waxes	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	0.0
5	Chemicals & related products, n.e.s.	-3.1	-3.2	-3.1	-2.4	-2.0	-1.9	+1.2
6	Manufactured goods classified chiefly by material	6.3	7.3	7.2	8.2	8.0	6.4	+0.1
7	Machinery & transport equipment	-10.6	-12.2	-10.6	-7.7	-6.1	-8.0	+2.6
8	Miscellaneous manufactured articles	-8.2	-8.9	-9.1	-8.8	-7.9	-7.2	+1.0
9	Commodities & transactions not classified elsewhere	0.0	0.0	0.0	-0.1	-0.2	-0.2	-0.2
0-9	TOTAL TRADE	-10.3	-9.6	-7.3	-2.3	0.6	-2.0	+8.3

\* Absolute change between 1988 and 1993, in bio ecus.

Source: COMTRADE

<sup>(3)</sup> See methodological notes on page 12.

## EFTA-EU trade balance by product divisions

It is noticeable that the EFTA countries' surpluses with the EU come mainly from those product groups in which production is based largely on natural materials. Thus, in 1993 EFTA obtained by far the largest surplus in trade with the EU in petroleum, petroleum products and related materials (SITC 33) at 7 billion ecus, and paper and paperboard (SITC 64) at 6.8 billion ecus. Cork and wood (SITC 24) and gas, natural and manufactured (SITC 34) recorded a surplus of 2.4 billion ecus and 1.6 billion ecus respectively. But for the next three product groups as well, i.e. non-ferrous metals (SITC 68), fish (SITC 03) and pulp and waste paper (SITC 25), surpluses running into billions were also achieved. It is only from eighth position onwards in the surplus items that we find purely manufactured products such as medical and pharmaceutical products (SITC 54) and power generating machinery and equipment (SITC 71).

The greatest changes among the surplus items between 1988 and 1993 were in petroleum products (+ 4.8 billion ecus), medical and pharmaceutical products (+ 1 billion ecus) pulp and waste paper (- 0.8 billion ecus) and power generating machinery (+ 0.7 billion ecus). All other changes did not exceed half a billion ecus.

Except in the case of vegetables and fruit, all EFTA's major deficit items in trade with the EU were in the manufactured product sector. In 1993 the largest deficits were in road vehicles (including air-cushion vehicles) (SITC 78) at 4.9 billion ecus, articles of apparel and clothing accessories (SITC 84) at 3.6 billion ecus, miscellaneous manufactured articles, n.e.s. (SITC 89) and office machines and automatic data processing machines (SITC 75) at 2 billion ecus each. Vegetables and fruit (SITC 05) had a deficit of 1.6 billion ecus. The product groups next on the list, which come under traditional manufactured products, also recorded deficits running into billions. These were electrical machinery, apparatus and appliances, n.e.s. and electrical parts thereof, (including non-electrical counterparts n.e.s. of electrical household type equipment) (SITC 77), non-metallic mineral manufactures, n.e.s. (SITC 66), general industrial machinery and equipment, n.e.s. and machine parts, n.e.s. (SITC 74) and furniture and parts thereof; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings (SITC 82).

The greatest changes during the reporting period were in road vehicles (+ 1 billion ecus), mineral manufactures (-0.5 billion ecus) and miscellaneous manufactured articles (+0.5 billion ecus). For all other product groups the changes were smaller than this.

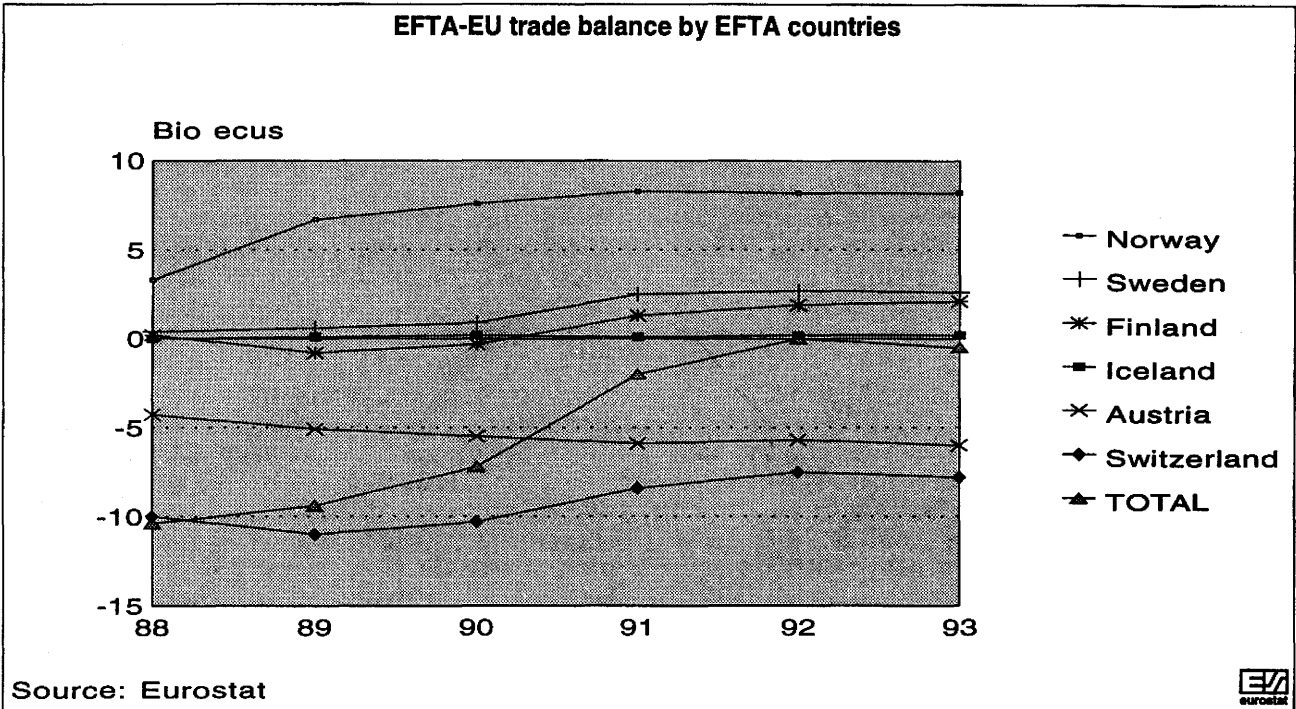
## The greatest imbalances in 1993 by product divisions

EFTA surplus		(Bio ecus)					
SITC, Rev.3	Product divisions	1988	1989	1990	1991	1992	1993
33	Petroleum & petroleum products	2.26	4.35	5.27	6.21	6.42	7.04
64	Paper & paperboard	7.09	7.76	8.13	8.31	7.59	6.78
24	Cork & wood	1.95	2.27	2.38	2.14	2.30	2.36
34	Gas, natural & manufactured	1.85	1.57	1.64	1.84	1.59	1.57
68	Non-ferrous metals	1.82	2.03	1.74	1.74	1.69	1.39
03	Fish, crustaceans & molluscs	0.98	1.05	1.34	1.45	1.48	1.39
25	Pulp & waste paper	1.93	2.38	1.95	1.53	1.33	1.17
54	Medical & pharmaceutical products	0.19	0.39	0.51	0.69	1.07	1.15
71	Power generating machinery & equipment	0.36	0.46	0.63	0.78	0.94	1.09
67	Iron & steel	0.48	0.58	0.43	0.84	0.94	0.89

EFTA deficit							
SITC Rev.3	Product divisions	1988	1989	1990	1991	1992	1993
78	Road vehicles (including air-cushion vehicles)	-5.80	-6.60	-6.69	-5.47	-5.07	-4.85
84	Articles of apparel & clothing accessories	-3.47	-3.76	-4.15	-4.06	-3.91	-3.54
89	Miscellaneous manufactured articles, n.e.s.	-2.48	-2.59	-2.56	-2.63	-2.26	-2.03
75	Office mach. & automatic data-processing mach.	-1.71	-1.90	-1.82	-1.64	-1.40	-1.95
05	Vegetables and fruit	-1.35	-1.39	-1.49	-1.64	-1.58	-1.64
77	Electrical machinery & appliances, n.e.s.	-1.65	-2.07	-1.77	-1.38	-1.33	-1.44
66	Non-metallic mineral manufactures, n.e.s.	-0.84	-0.79	-1.01	-0.94	-1.00	-1.32
74	General industr. mach. & equipment, n.e.s.	-1.58	-1.68	-1.65	-1.15	-0.99	-1.19
82	Furniture & parts thereof	-1.11	-1.28	-1.37	-1.32	-1.12	-1.06
85	Footwear	-0.81	-0.91	-0.94	-0.96	-0.88	-0.82

Source: COMTRADE

# Part VI: EFTA-EU trade balance by EFTA countries <sup>(3)</sup>

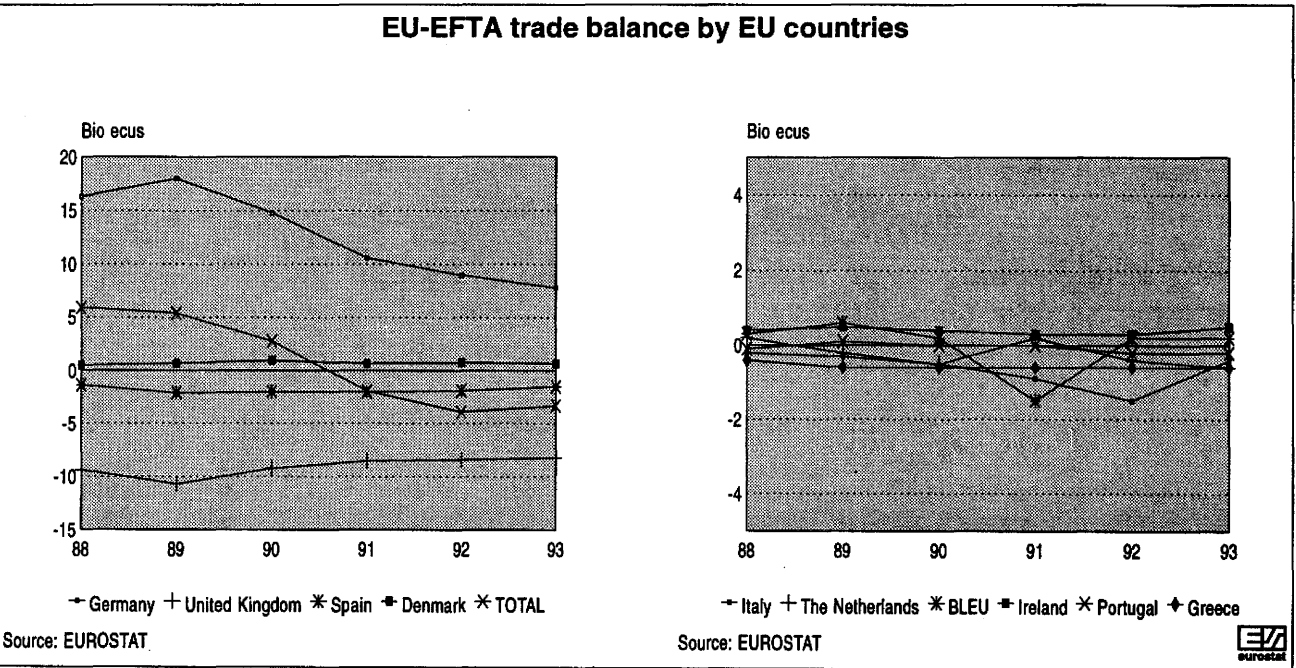


## Balance by EFTA countries

Throughout the reporting period, Norway, Sweden and Iceland had a trade surplus with the EU. Norway's trade surplus increased from 3.3 billion to 8.2 billion ecus between 1988 and 1993, while Sweden's went up from 0.4 billion to 2.6 billion ecus. Austria and Switzerland had a deficit throughout the reporting period: while Austria's deficit went up from 4.3 to 6 billion ecus, Switzerland's declined from 10 billion to 7.8 billion. Finland's trade was more or less in balance.

## Balance by EU countries

Germany, EFTA's most important trading partner, saw its trade surplus decline throughout the reporting period (except in 1989): it dropped from 16 billion to 8 billion ecus. The United Kingdom, the second most important EFTA trading partner, had a deficit of around 9 billion ecus, while Denmark and Ireland both showed a small surplus on their trade balance between 1988 and 1993. Trade with all other EU-countries was more or less in balance during the reporting period, with deviations not exceeding 2.0 billion ecus.



### Methodological notes:

- (1) EFTA-countries 1988-93 were: Austria, Switzerland (including Liechtenstein's data), Finland, Iceland, Norway and Sweden. EU-countries 1988-93 were: BLEU (Belgium and Luxembourg), Denmark, Germany, Greece, Spain, France, Ireland, Italy, The Netherlands, Portugal and the United Kingdom.
- (2) COMTRADE, the United Nations' Databank, was used as the main source for this publication. This was necessary because the data reported to EUROSTAT by the EFTA countries was not available in the SITC classification.
- (3) The data for trade with the EU reported by the EFTA countries generally does not correspond exactly to the same data reported by EU countries for that trade. The main reasons for this are fob valuation for exports and cif valuation for imports, plus methodological differences.